

To Whom It May Concern:

The Montana Department of Environmental Quality (DEQ) has prepared the following environmental assessment as required by law in ARM 17.4.607(2) and ARM 17.4.609(2). This project involves installing one two compartment double-walled fiberglass underground storage tanks and associated double-walled flexible piping at Three Bears Alaska, 45 Three Bears Drive, Butte, Montana. This property is identified as Township 3N, Range 7W, Section 33.

The DEQ prepares environmental assessments to inform interested government agencies, public groups, or individuals of a proposed action and to determine whether or not the action may have a significant effect on the human or natural environment. This environmental assessment will be circulated for seven days. After the seven-day comment period, DEQ will decide what action to take regarding this permit.

If you care to comment on this proposed project or the attached environmental assessment, please write or email the Permitting & Compliance Division. Comments must be in writing and must be received by **October 24, 2006**. Our email address is ustprogram@state.mt.us and our mailing address is P.O. Box 200901, Helena, MT, 59620-0901.

Sincerely,

Redge R. Meierhenry
Solid and Hazardous Waste Specialist
Waste and Underground Tank Management Bureau

enc: Environmental Assessment

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| O/O NAME: Three Bears Alaska, Inc. | FACILITY NO: 60-15058 |
| PERMIT NO: 07-0067 | DATE OF APPLICATION: 9/29/2006 |
| PERSON PREPARING EA: Redge R. Meierhenry | COUNTY: Silver Bow |
| LOCATION: 45 Three Bears Drive, Butte, MT 59701 | |
| FACILITY NAME: Three Bears Alaska | EA COMPLETED: 10/17/2006 |
| DESCRIPTION OF PROPOSED ACTION: Installing one two-compartment 17,000-gallon and 8,000-gallon fiberglass double-walled petroleum underground storage tanks with double-walled flexible piping. The tanks will be installed at a new facility. The piping systems will be pressurized. Interstitial sensors are installed in the sumps. | |
| DESCRIPTION OF THE BENEFITS AND PURPOSE OF THE PROPOSED ACTION: Purpose is to install new tanks and piping at new refueling station and convenience store. The benefits include more fuel choices. | |

A: Significant unavoidable impacts

B: Potential significant impacts mitigated based upon license conditions

C: Insignificant as proposed

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| | A | B | C | LONG TERM | SHORT TERM | AMPLIFICATION |
| PHYSICAL ENVIRONMENT | | | | | | |
| 1. TOPOGRAPHY: Are there unusual geologic features? Will the surface features be changed? | | | X | | | No impact. Location is currently undeveloped property on semi-level land. |
| 2. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE: Are fragile, compactible or unstable soils present? Are there special reclamation considerations? | | | X | | | There are no special reclamation considerations for the project location. |
| 3. WATER QUALITY, QUANTITY AND DISTRIBUTION: Are important surface or groundwater resources present? Is there potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality? | | X | | | | Important water resources are present. There are public water supply connections and several domestic groundwater wells within one-half mile of this project as well as the Blacktail Creek and Canyon Intermittent Stream within one-half mile of project site. Potential violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality is mitigated by installation of double-walled tank and piping and electronic tank and piping leak detection. Improper operation of this system would increase the potential for violation of ambient water quality standards, drinking water maximum contaminant |

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| | A | B | C | LONG TERM | SHORT TERM | AMPLIFICATION |
| | | | | | | levels, and the degradation of water quality. Leak detection systems serve to mitigate the potential impacts immediately reducing the amount of fuel available to be released into the environment. |
| 4. <u>AIR QUALITY</u> : Will pollutants or particulate be produced? Is the project influenced by air quality regulations or zones (Class I airshed)? | | | X | | | Petroleum vapors will be released at this site. Natural air currents and vent pipes will dissipate hydrocarbon vapors to a safe level. There are no Class I Areas within 10 miles of project. |
| 5. <u>DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY</u> : Will the project use resources that are limited in the area? Are there other activities nearby that will affect the project? | | | X | | | There are no known limited resources in the area. It is unknown if there are other activities nearby that will affect the project. |
| 6. <u>IMPACTS ON OTHER ENVIRONMENTAL RESOURCES</u> : Are there other studies, plans or projects on this tract? | | | X | | | There are no known studies, plans or projects that would impact environmental resources on this tract. |
| 7. <u>TERRESTRIAL, AVIAN, AND AQUATIC LIFE AND HABITATS</u> : Is there substantial use of the area by important wildlife, birds or fish? | | | X | | | No impact. There is no USFWS listed critical habitat within 10 miles of project. |
| 8. <u>VEGETATION COVER, QUANTITY AND QUALITY</u> : Will vegetative communities be permanently altered? Are any rare plants or cover types present? | | | X | | | Project area is currently undeveloped land. No rare plants or cover types have been reported to the reviewer. |
| 9. <u>UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES</u> : Are any federally listed threatened or endangered species or identified habitat present? Any wetlands? Any species of special concern? | | | X | | | No federally listed threatened or endangered species, identified habitat, or species of special concern is identified by USFS or reported to the reviewer. Designated wetlands are not noted in this area. |
| 10. <u>HISTORICAL AND ARCHEOLOGICAL SITE</u> : Are any historical, archeological or | | | X | | | There are 13 listed properties listed on the National Historic Register |

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| | A | B | C | LONG TERM | SHORT TERM | AMPLIFICATION |
| paleontological resources present? | | | | | | within the City of Butte. This project is not anticipated to create any impacts to these sites. No data relating to archeological or paleontological resources is reported to the reviewer. |
| 11. <u>AESTHETICS</u> : Is the project on a prominent topographical feature? Will it be visible from populated or scenic areas? Will there be excessive noise, light or odors? | | | X | | | No impact. Area is currently a semi-developed area adjacent to Interstate 90. Noise, light, and odors will be similar to a typical convenience store with fuel sales. |
| 12. <u>AGRICULTURE</u> : Will grazing lands, irrigation waters or crop production be affected? | | | X | | | No impact. No agricultural lands are adjacent to the project. |
| HUMAN ENVIRONMENT | | | | | | |
| 1. <u>SOCIAL STRUCTURES AND MORES</u> : Is some disruption of native or traditional lifestyles or communities possible? | | | X | | | It is not anticipated that the project will disrupt native or traditional lifestyles or communities. |
| 2. <u>CULTURAL UNIQUENESS AND DIVERSITY</u> : Will the action cause a shift in some unique quality of the area? | | | X | | | It is not anticipated that the project will cause a shift in any unique quality of the area. |
| 3. <u>DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING</u> : Will the project add to the population and require additional housing? | | | X | | | It is not anticipated that the project will add to the population or require additional housing. |
| 4. <u>HUMAN HEALTH & SAFETY</u> : Will this project add to health and safety risks in the area? | | X | | | | It is anticipated that natural air currents and tank vents will dissipate the hydrocarbon vapors to a safe level. Leak detection equipment is designed to detect releases before serious health or safety problems occur. Improper operation of this system could impact human health and safety. Leak detection systems and operating requirements mitigate this potential impact by immediately reducing the amount of fuel |

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| | | | | | | available to be released into the environment where it could impact health and human safety. |
| 5. <u>COMMUNITY & PERSONAL INCOME:</u> Will the facility generate or degrade income? | | | X | | | This project will not significantly generate or degrade income. |
| 6. <u>QUANTITY AND DISTRIBUTION OF EMPLOYMENT:</u> Will the project create, move or eliminate jobs? If so, estimate jobs. | | | X | | | This project will create additional new local jobs according to the owner. Estimate 5 local jobs. |
| 7. <u>LOCAL AND STATE TAX BASE REVENUES:</u> Will the project create or eliminate tax revenue? | | | X | | | This project may increase the value of the property and therefore increase property taxes. |
| 8. <u>DEMAND FOR GOVERNMENT SERVICES:</u> Will substantial traffic be added to existing roads? Will other services (fire protection, police, schools, etc.) be needed? | | | X | | | It is anticipated that the project will add to the local traffic being located adjacent to an interstate exit. Other required services will be minimally impacted. The Owner reports the City of Butte is reviewing this project for potential impacts to required government services. |
| 9. <u>INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION:</u> Will the project add to or alter these activities? | | | X | | | No significant impacts are anticipated. |
| 10. <u>ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:</u> Are wilderness or recreational areas nearby or accessed through this tract? Is there recreational potential within the tract? | | | X | | | No recreational areas are accessed through this property. There is no recreational potential within this tract. |
| 11. <u>AESTHETICS:</u> Is the project on a prominent topographical feature? Will it be visible from populated or scenic areas? Will there be excessive noise, light or odors? | | | X | | | Minimal impact. Area is currently a semi-developed area. Noise, light, and odors will be similar to a typical convenience store with fuel sales. |
| 12. <u>LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:</u> Are there state, county, city, USFS, BLM, tribal, etc., zoning or management plans in effect? | | | X | | | There are no county, city, zoning, tribal, USFS or BLM management plans known for this area. The site is located within Butte-Silver Bow Zoning District 1. It |

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| | | | | | | is anticipated this area will be developed as a commercial area so anticipated impacts will conform to the required usage. |
| 13. <u>TRANSPORTATION</u> : Will the project affect local transportation networks and traffic flow? | | | X | | | This project will affect immediately adjacent local transportation network and traffic flow due to proximity of the project to the interstate highway. Impacts are anticipated to be minimized as surface streets and nearby interstate highway entry/exit currently exist. |

PUBLIC INVOLVEMENT: The department has attempted to identify interested parties to this application and provide the opportunity for public comment. A copy of this Environmental Assessment of the proposed underground storage tank installation has also been posted at our website (<http://www.deq.state.mt.us/ea.asp>). Substantive comment may also be provided to email address at ustprogram@state.mt.us

ALTERNATIVES CONSIDERED: No other alternatives were presented or considered.

COMPLIANCE STATUS: This project, as permitted, will be in compliance with the UST regulations. The facility must, however, be operated and maintained in accordance with the UST rules and regulations. This facility is required to have a compliance inspection done within 120 days of the installation of the tank systems.

RECOMMENDATIONS CONCERNING PREPARATION OF AN EIS: Not necessary at this time based upon the information reviewed. The project, as proposed with mandatory operating and permit conditions, will not have a significant environmental impact.

OTHER GROUPS OR AGENCIES CONTACTED OR WHICH MAY HAVE OVERLAPPING JURISDICTION: The Montana Department of Justice, Fire Prevention and Investigation Bureau regulates aboveground components.

INDIVIDUALS OR GROUPS CONTRIBUTING TO THIS EA: The owner, the contractor, and the preparer of the EA.

PERMIT CONDITION EFFECTS: Permit conditions are based on Montana and federal regulations, PEI RP100-2000 and accepted standard engineering practices.

cc: Governor's Office
Legislative Environmental Policy Office

Figures: Project location

PROJECT LOCATION

